## FINANCIAL DEPARTMENT

### OFFICE OF THE COMPTROLLER IN MYSORE, BANGALORE.

*Circular No.* 421—*B II, dated* 27*th February* 1941.

**Identification of payees at the Treasuries.**

According to the instructions conveyed in this office Circular issued during February 1935, on the subject noted above based on G. O. No. Fl. 3388—G. F. 153-32-10, dated 3rd—5th October 1934, the Treasuries are required to note on all bills for payments of over Rs. 100, that the payees have been identified by specific persons before making payment, without at the same time causing inconvenience or delay in making payments to the public.

Since cases have come to notice that in some treasuries, the rule is being applied very rigidly by the Treasury staff, and the Treasury Officers also are not using the discretion allowed to them in the matter freely thereby causing much inconvenience, delay and annoyance to the public, the following supplementary instuctions are issued for the information and guidance of the Treasury Officers and the staff of the several treasuries in the State :—

1. The procedure prescribed in the above circular is not intended to be applied to payments, in respect of which there are other alterative modes of identification of the payees, *e.g.*, payments to pensioners, Savings Bank Depositors, holders of State Loan Bonds, appearing personally and presenting the pension payment order, pass book, or State Loan Bond as the case may be.

2. The procedure should be enforced only in other cases where alternative mode of identification is not possible and without causing undue delay, inconvenience or annoyance to the payees. The Treasury Officers should exercise their discretion in such cases bearing in mind the fact that, while they are responsible for seeing that payments are made to the correct parties, no useful purpose is served by insisting on identification by specified persons in cases where they have no reason to doubt that the correct person has appeared to receive payment.

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*Circular No.* 344—*B. (ii), dated* 20*th March* 1941.

Government having modified in their Order No. R. 4193-250—L. R. 519-39-10, dated 14th December 1940 their previous order No. R. 3648-703—L. R. 519-39-4, dated 25th November 1940 and directed the conversion of the three Sub-Taluks at Periyapatna, Alur and Harihar into Taluks with effect from 1st April 1941 instead of from 1st January 1941, a treasury will be opened at each of the places of Periyapatna, Alur and Harihar, with effect from 1st April 1941. The transactions that were hitherto being conducted in the Hunsur Taluk, Manjarabad, Belur and Hassan Taluks, and the Devangere Taluk in respect of the territorial jurisdictions of the newly constituted Periyapatna, Alur and Harihar Taluks respectively, will hereafter be conducted in the new Treasuries. The drawers on these treasuries will send their specimen signatures to the new treasuries at Periyapatna, Alur and Harihar for reference and record. The Hunsur Taluk Treasury, Manjarabad, Belur and Hassan Taluk Treasuries and the Devangere Taluk Treasury will furnish to the new treasuries at Periyapatna, Alur and Harihar, respectively, all the information required for carrying on their work.

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*Notification.*

The following Press Communique dated 24th July 1940, issued by the Government of India, Finance Department, in regard to the issue of One Rupee Currency Notes is republished for general information :—

M. VIRARAJA URS,
*Comptroller.*

### GOVERNMENT OF INDIA.

**Finance Department.**

*Simla, the* 24*th July* 1940.

As a result of large withdrawals of rupee coin from circulation in recent months for hoarding, much inconvenience is being felt by the general public owing to the scarcity of a suitable medium of exchange of smaller value than the Reserve Bank note of lowest denomination, namely, rupees five. Requests have been pouring in from all parts of the country to

issue notes of smaller denomination, as was done in the last war, and it has been decided to supplement the stock of rupee coin by one-rupee notes issued on the authority of the Government of India, and an Ordinance has just been issued authorising such issue and providing that such notes will, for all purposes, be the equivalent of rupee coin. They will be legal tender to exactly the same extent as rupee coin and, not being bank notes or currency notes, can be issued by the Reserve Bank of India in exchange for their bank notes to satisfy a demand for rupee coin.

2. The silver stocks of the Government of India, apart from the coin held by the Reserve Bank of India, are ample. Of these, however, a large amount consists of the proceeds of Queen Victoria coin which has been withdrawn from circulation in the last few years and which would, in the opinion of Government, have to be recoined before being fit for issue. In view of the expansion of war activities,, however, there has been an exceptionally large demand for small coin which shows no signs of abatement, and Government consider that priority should be given to supplying such coin which are a necessity to the poorer classes for their day-to-day transactions and which are not used for hoarding in preference to coining rupees merely to satisfy the selfish instincts of the wealthier hoarder. While every effort is being made by Government to re-mint as quickly as possible rupee coins from the bullion in their possession, the output of the mints is for this reason at present limited and it is necessary to introduce a substitute as a temporary measure.

3. These notes are being printed at the Government of India Security Printing Press, Nasik Road, but as it will take some time before adequate supplies are available, Government propose to make a start by the issue of notes which were prepared to meet a contingency of another nature in 1935, but which proved unnecessary at the time and which have since been held in stock so as to be available if required. These 1935 notes are printed on paper bearing as a watermark the head of His late Majesty King George V and are $3\frac{5}{8}$" by $2\frac{1}{8}$" in size. They contain a representation of the rupee coin on both sides and bear the signature of Mr. J. W. Kelly, who was Controller of the Currency in 1935 when they were prepared. The new Nasik notes are exactly similar except that they do not have the same watermark. They are printed on the paper used for Post Office Cash Certificates.

4. Owing to the large number required, the rapidity with which they had to be prepared and the difficulty of obtaining suitable paper in adequate quantity, it has been found necessary to make the rupee notes to be issued initially smaller in size than the rupee notes issued during the last war so as to obtain the maximum number of prints on each sheet, and it is the intention of Government to replace the smaller notes with notes of larger size as soon as possible. The public can co-operate in this if they will limit their use of coin and notes to reasonable monetary purposes and discourage the senseless habit of hoarding. The new notes which will be issued some time later will be 4" by $2\frac{1}{2}$", but in other respects similar in design. They will bear the signature of Mr. C. E. Jones, Secretary to the Government of India in the Finance Department.

W. Scott Brown,
Secretary to Government.

## MISCELLANEOUS DEPARTMENT

### OFFICE OF THE REGISTRAR OF CO-OPERATIVE SOCIETIES, IN MYSORE, BANGALORE.

*Notification No.* 10349—*C. S., dated* 19*th March* 1941.

It is hereby notified for general information that in exercise of the powers vested in the undersigned under bye-law No. 37 of the bye-laws of the Mysore Central Co-operative Land Mortgage Bank, Ltd., Bangalore City, the lending operations of the said Bank are extended to the Bagepalli Taluk in the Kolar District.

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*Notification No.* 1049—*C. S., dated* 21*st March* 1941.

It is hereby notified for general information that under Section 39 (1) of the Mysore Co-operative Societies Act, the registration of the Devarahalli Co-operative Society in the Chennagiri Taluk (Regd. No. 1087, dated 13th August 1917), is hereby cancelled with effect from this date.

Under Section 42 (1) of the aforesaid Act Mr. C. R. Krishna Rao, Apex Bank Inspector, Chennagiri, is appointed Liquidator of the said society to wind up its affairs.

M. Abdul Hukh,
*Registrar.*